MONTANA
TELECOMMUNICATIONS
ASSOCIATION

January 30, 2011

Marlene Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Re: *In the Matter of* Rural Health Care Support Mechanism (WC 02-60)

Dear Ms. Dortch,

On January 26, 2010 the undersigned met with Carol Simpson and Erica Myers (by phone) to discuss the rural health care Notice of Proposed Rulemaking (NPRM) and the recent Wireline Competition Bureau request for comments regarding the Health Information Exchange of Montana (HIEM) request for additional funding under the Rural Health Care Pilot Program (DA 11-95).

Regarding the proposed rulemaking, Mr. Feiss reiterated the comments and reply of the Montana Telecommunications Association (MTA), which were filed on September 10, 2010 and September 23, 2010. In those comments, MTA recommended that the Commission not implement the infrastructure program as recommended in the NPRM, a position which is consistent with that of the American Telemedicine Association and the Eastern Montana Telemedicine Network.

Mr. Feiss noted that the Commission's Omnibus Broadband Initiative (OBI) Technical Paper #5 concludes that sufficient broadband capacity is available to health care institutions virtually everywhere. Montana is no exception.

Mr. Feiss further pointed to the recently released report by the Government Accountability Office (GAO-11-27. http://www.gao.gov/Products/GAO-11-27 12/17/10), which finds that the Rural Health Care Program and the Pilot Program lack goals, objectives and management measurements. This is particularly apparent in projects such as HIEM's, where need the need for duplication of existing telecommunications infrastructure has not been established. Indeed, HIEM claims it needs more than 100 Mbps of redundant capacity, without having established any demand for such bandwidth. (Regardless, Montana's rural telecom providers can meet HIEM's demands on request; however HIEM's clients appear to need only T-1 service according to HIEM's sustainability plans.)

MTA reiterated its concern that projects like HIEM, if implemented as proposed, would strand investment in the public network, discourage further investment in rural communities throughout Western Montana, and threaten rural economic development.

Finally, MTA reiterated its belief that the Commission lacks statutory authority to implement the infrastructure program it proposes in its NPRM.

Mr. Feiss also noted that two rural health care pilot projects in Montana provide valuable lessons applicable to the NPRM. One project (HIEM), which is based on building a redundant fiber network, will serve fewer health care providers over a smaller geographic area, while costing several times more than another pilot project which leverages existing network facilities in a cloud-based network, serving more health care providers over a larger, less densely populated area—at a fraction of the cost of HIEM's fiber-based infrastructure pilot project.

HIEM now proposes to spend even more money on its project which is largely unnecessary in the first place.

In conclusion, rather than fund networks with universal service funds in a manner that duplicates existing facilities and effectively cannibalizes rural telecommunications infrastructure, the Commission and the Rural Health Care Program should heed the Commission's goal as stated in the National Broadband Plan: to leverage existing telecommunications assets. Such leverage can improve the efficiency and effectiveness of telecommunications assets that are available to all residential and commercial consumers.

Respectfully submitted,

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Attachment: Map of Montana Rural Fiber Deployment